<u>Existing law</u> authorizes the creation of hospital service districts within parishes or within a combination of parishes. Provides that the objects and purposes of the hospitalservices districts are:

- (1) To own and operate hospitals for the care of persons suffering from illness or disabilities which require hospital care.
- (2) To administer other activities related to rendering care to the sick and injured or to promote health.
- (3) To promote and conduct scientic research and training related to the care of the sick and injured insofar as it can be conducted in connection with the hospital.
- (4) To participate in any activity designed and conducted to promote the general health of the community.
- (5) To cooperate with other public and private institutions and agencies engaged in providing hospital and other health services to residents of the district.

New law retains these provisions.

<u>Prior law</u> provided that any hospital district had to be governed by a board of five commissioners appointed by the police jury. Provided for the various powers and duties of the commission including the appointment of a hospital director with the approval of the medical staff. Provided that the director shall have experience in the field of hospital administration and be familiar with the principles and methods of hospital and institutional care. Provided that the director shall be a full-time employee of the district or of the hospital management firm and shall receive a salary fixed by the commission. Provided that the director shall serve at the pleasure of the commission.

New law provides that rather than appoint a director, the commission shall enter into a formal written employment agreement with a hospital director. Otherwise retains above provisions of <u>prior law</u> relative to experience. Additionally provides that if such a formal written employment agreement is entered into, the agreement shall bind both parties, notwithstanding any law to the contrary. Such agreement shall provide for a fixed term of employment, specify the director's duties, and be renewable for an additional term or terms at the pleasure of the commission. Provides that in the absence of a formal written employment agreement, the director shall serve at the pleasure of the commission.

New law further provides that if a director is found incompetent, inefficient, or unworthy during the term of the agreement, he shall be removable for such cause by a majority vote of the commission at any regular meeting for which the removal appears on the agenda or any special meeting after due notice. Requires that the agreement specify that the commission must give the director official warning and reasonable opportunity to correct the indicated deficiencies prior to the termination of the agreement.

Effective August 15, 1999.

(Amends R.S. 46:1056)